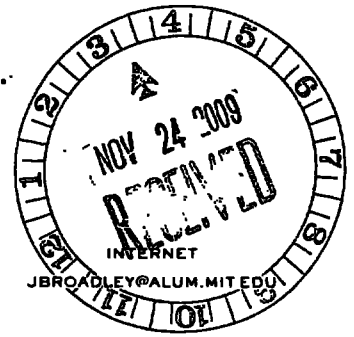


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November 24, 2009

JOHN H. BROADLEY

226059

Cynthia T. Brown
Chief of the Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423

RE: Finance Docket No. 35314, *Massachusetts Coastal Railroad, LLC-
Acquisition-CSX Transportation, Inc.*

Dear Ms. Brown:

Enclosed for filing are the original and 10 copies of a Petition Suggesting
Procedural Schedule by Mass Coastal Railroad, LLC and CSX Transportation, Inc., and a
diskette with the file in WORD and pdf format.

Please time and date stamp the extra copy of this letter and the Petition and return
them with our messenger.

Thank you for your assistance. If you have any questions, please contact me.

Sincerely yours,

Louis E. Gitomer

Louis E. Gitomer, Esq.
Attorney for CSX Transportation, Inc.

John H. Broadley

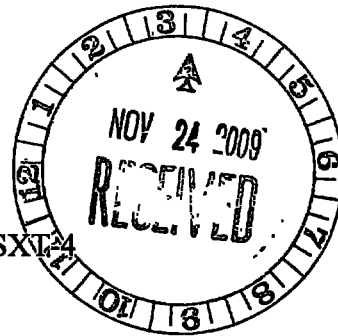
John H. Broadley, Esq.
Attorney for Mass Coastal Railroad, LLC

Enclosure

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MCRR/CSXT24

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35314

MASSACHUSETTS COASTAL RAILROAD, LLC
-ACQUISITION-
CSX TRANSPORTATION, INC.

PETITION SUGGESTING PROCEDURAL SCHEDULE

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Counsel for CSX Transportation, Inc.

Counsel for Massachusetts Coastal
Railroad, LLC

Dated: November 24, 2009

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35314

MASSACHUSETTS COASTAL RAILROAD, LLC
-ACQUISITION-
CSX TRANSPORTATION, INC.

PETITION SUGGESTING PROCEURAL SCHEDULE

Massachusetts Coastal Railroad, LLC (“Mass Coastal”), a Class III railroad, and CSX Transportation, Inc. (“CSXT”), a Class I railroad (jointly “Applicants”) have concurrently filed an application pursuant to 49 U.S.C. § 11323(a)(2) seeking approval from the Surface Transportation Board (the “Board”) for Mass Coastal to acquire the permanent freight easement being retained by CSXT in the South Coast Lines, consisting of (1) the New Bedford Subdivision, which is 18.40 miles between milepost QN 13.40 at Cotley Jct. and milepost QN 31.80 at New Bedford, (2) the Fall River Subdivision, which is 14.20 miles between milepost QNF 0.00 at Myricks and QNF 14.20 at Fall River, and (3) the 0.08-mile line north of New Bedford between milepost QND 0.00 and milepost QND 0.08, a total distance of 32.68 miles (the “South Coast Lines”), in the Commonwealth of Massachusetts.

CSXT has agreed to sell the South Coast Lines, among other lines, to the Massachusetts Department of Transportation (“MADOT”) and retain a permanent freight easement over the South Coast Lines.¹

¹ On November 24, 2009, MADOT filed a notice of exemption under 49 C.F.R. §1150 and a

CSXT has also agreed to grant Mass Coastal overhead trackage rights over CSXT's Middleboro Subdivision (1) between Mass Coastal's interchange tracks at Taunton, approximately at milepost QN 11.6, and Mass Coastal's freight operation at milepost QN 13.4, a distance of about 1.8 miles; and (2) connecting at milepost QN 13.3, between milepost QNB 13.3 and Mass Coastal's interchange tracks at Middleboro, approximately at milepost QNB 20.4, a distance of about 7.1 miles, for a total distance of 8.9 miles (the "Trackage Rights Line"), so that Mass Coastal can connect the South Coast Lines to its existing lines.²

In the MADOT Transaction, CSXT has agreed to sell the real estate and track and materials (the "CSXT Property") to MADOT, while retaining a permanent freight easement that will enable CSXT to continue to provide common carrier rail service. MADOT and CSXT have also agreed to a closing of the MADOT Transaction on May 14, 2010. CSXT and Mass Coastal have agreed to close their transaction concurrent with the CSXT sale to MADOT.

The Applicants have requested the Board treat the application as a minor transaction under the Board's rules at 49 C.F.R. §1180.2(b). If the Board accepts Applicants' classification of the proposed transaction, the time periods provided in 49 U.S.C. §11325(d) will apply. Applicants respectfully request that the Board adopt the following schedule to govern the instant proceeding.

concurrent motion to dismiss in *Massachusetts Department of Transportation–Acquisition Exemption–Certain Assets of CSX Transportation, Inc.*, Finance Docket No. 35312 (the "MADOT Transaction").

² See the concurrently filed notice of exemption in *Massachusetts Coastal Railroad, LLC–Trackage Rights Exemption–CSX Transportation, Inc.*, Finance Docket No. 35314 (Sub-No. 1X).

PROPOSED SCHEDULE


Date	Action
November 24, 2009	Application filed.
December 24, 2009	Notice of acceptance of application served and published in the Federal Register.
January 4, 2010	Due date for filing notices of intent to participate.
January 8, 2010	Discovery requests due to Applicants.
January 15, 2010	Response to discovery due.
January 25, 2010	Comments filed by United States Attorney General (“DOJ”), United States Secretary of Transportation (“DOT”), and all other parties.
February 12, 2010	Applicants’ reply to comments due.
March 29, 2010	Service of final decision.
April 28, 2010	Board decision effective.
May 14, 2010	Consummation.

Applicants propose this expedited schedule in order to accommodate the desire of MADOT so that the MADOT Transaction and the sale to Mass Coastal can be consummated simultaneously. The proposed schedule provides the Board with the statutory periods to act (30 days to accept or reject the application and 45 days to serve a decision). Applicants believe that there should be minimal opposition to the proposed transaction and that there will be significant public support. CSXT has begun discussions with its employees concerning the affect of the proposed transaction. Applicants commit to respond expeditiously to discovery. The period for filing comments coincides with the statutory time for DOJ and DOT to file comments.

Applicants have accepted the burden of expeditiously responding to discovery and responding to any comments. There is also ample time for the Board to hold a public hearing or oral argument, if necessary, and still serve a decision and make it effective prior to the negotiated closing date of the proposed transaction with Mass Coastal and the larger sale to MADOT.

Applicants respectfully submit that an expedited procedural schedule is appropriate for this proceeding. The Application demonstrates that there will be no anticompetitive harm from the proposed transaction. There will also be no environmental or historic effect since one carrier is replacing the other to serve existing shippers.

Applicants respectfully request the Board to adopt the proposed procedural schedule to permit them to consummate the proposed transaction with Mass Coastal concurrently with the sale from CSXT to MADOT on May 14, 2010.



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Dated: November 24, 2009

Respectfully submitted,



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